

C. L. "BUTCH" OTTER

December 1, 2008

Lawerence Denney

Speaker

Idaho House of Representatives

Robert Geddes

Pro Tem

Idaho Senate

Daniel Eismann

Chief Justice

Idaho Supreme Court

Dear Sirs,

As you are aware, Executive Order 2008-05 issued on December 1, 2008 implements a 3-percent holdback across all Executive departments, offices and institutions receiving support from the General Fund. This amount is in addition to the 1-percent holdback issued in September. While the order does not include either the Legislative or Judicial branches, I hope you will join me in this cost-savings effort.

With the exception of Public Schools, the reductions in Executive branch budgets associated with the holdback will be reflected in my budget recommendation as ongoing base reductions when it is submitted to the Legislature this winter. The Public Schools holdback is one-time in nature and will be offset by drawing funds from the Public Education Stabilization Fund. We are indeed fortunate that the Legislature had the wisdom and foresight to create and fund this important tool.

I completely understand if you determine that ongoing reductions are not possible within the budgets of the Legislative or Judicial branches. However, even a one-time reduction would show solidarity and signal to the people we all serve that we have their best interest and good stewardship of their money in mind.

Please feel free to contact me directly if you wish to discuss this matter further. In addition, my staff and the Division of Financial Management are here to assist you in this effort.

As Always – Idaho, "Esto Perpetua"

C.L. "Butch" Otter Governor of Idaho

CLO/wh

CC: Jeff Youtz, Director, Legislative Services Office Patricia Tobias, Administrative Director, Supreme Court Jason Kreizenbeck, Chief of Staff, Office of the Governor